



**Frederick County  
Government  
Frederick, Maryland**

## *News Release*

Winchester Hall / 12 East Church Street  
Frederick, Maryland 21701  
CONTACT: Robin K. Santangelo  
Public Information Officer  
301-600-2590  
rsantangelo@FrederickCountyMD.gov

FOR IMMEDIATE RELEASE:

June 7, 2012

### **COUNTY COMMISSIONERS ADOPT BALANCED FY2013 BUDGET**

FREDERICK, MD – The Frederick Board of County Commissioners today adopted the FY2013 Operating Budget of approximately \$471 million and the FY2013 Capital Budget of approximately \$43 million. They also approved the FY 2013 – 2018 Capital Improvements Program of approximately \$480 million.

Board President Blaine Young said, “This budget puts us in the position of strength and points us in the right direction, but we have more work to do. This budget has compassion for the taxpayers. We have sworn an oath to insure that our county is headed in the correct direction when it comes to financial strength and we have made fiscally prudent decisions that take into account the uncertainties of future federal and state actions.

“The last time we went to the bond market we had a negative rating. We now have a AAA stable rating. But, there will be impacts from the state that could affect that rating in terms of teacher pensions that are already heading our way. In addition, the structural deficit was over \$30 million at one time. This budget takes it down to about \$12 million. But, if we do not address the catastrophic issues in the fire tax fund and continue to subsidize the fire tax fund from the general fund, we will completely obliterate all the work done.

“As to our gradual reduction in contributions to non-profit organizations, the board appreciates the heart-felt expressions of support from the public for the many charitable groups in our county. However, the majority of the board does not believe that government should be making donations to select groups when those donations should come from private individuals and companies. Many groups do well without government subsidies and that is why we are slowly reducing our contributions to these non-profits as part of our overall plan to reduce government spending. I have faith in our citizens and our community businesses that they will step up to the plate and do more.

(more)

## *County Commissioners Approve Balanced Budget – Page Two*

“We appreciate the hard work of our Budget Committee, Budget Office and division directors in helping us prepare the budget we approved today. We also recognize the dedication and hard work of county employees who are helping us move toward restoring the county to sound financial footing. We have 300 less county employees than in 2008 and that is how we are able to budget for a merit increase and cost-of-living-adjustment – the first time our employees have had an increase in four years.

“Lastly, let it be known that this board has a record of helping the citizens of this county with tax and regulatory relief, senior tax credits, reduction of permits and fees, the increase of the tax equity program for municipalities and many other business-friendly priorities as spelled out in our strategic plan. We welcome the feedback of our citizens and pledge to continue our hard work on your behalf in the coming year.”

An overview of the adopted FY2013 Operating Budget is as follows:

- Includes \$12 million to help address the current Fire Tax deficit;
- Gives \$6.7 million back to citizens in the form of a tax rebate for homeowners;
- Includes a one percent cost-of-living adjustment, merit increase and reclassification for Frederick County Government employees;
- Reinstates the municipalities tax equity by \$4 million that was taken away by the previous board;
- Includes \$5.9 million of funding for the state shift of teachers’ pensions;
- Provides a one-time \$1.6 million transfer to the capital budget for Board of Education projects, including \$40,000 for the temporary Urbana Elementary School bathrooms and \$1,560,000 for technology improvements;
- Includes \$500,000 for one-time funding to Frederick Community College and \$300,000 to pay for debt services on their Monroe facility;
- Shows a \$1.5 million decrease in debt service due to bond refunding opportunities acted upon by the current board;
- Includes full funding of the annual required contribution for post employment benefits (retiree health benefits);
- Strengthens the county employee pension plan system by requiring employees to contribute more to the plan than in previous years, and
- Includes a \$38 million budgeted use of fund balance that was created as a result of operations in FY2011. The county is required by statute to appropriate this amount.

The Budget Office clarified that several divisions and departments were reorganized for the FY2013 budget, which may alter some comparisons between FY2013 and FY2012.

For additional information, visit [www.FrederickCountyMD.gov/budget](http://www.FrederickCountyMD.gov/budget) or contact Budget Officer Regina Howell at 301-600-3191 or via e-mail at [rhowell@FrederickCountyMD.gov](mailto:rhowell@FrederickCountyMD.gov).